

**CITY OF SAN JOSE AND IBEW
LAST, BEST, AND FINAL OFFER
ALTERNATIVE A**

PERIOD OF MEMORANDUM OF AGREEMENT

July 1, 2011 – June 30, 2012 (See Attached)

WAGES

See attached

HEALTHCARE COST SHARING

See attached

HEALTHCARE CO-PAYS

See attached

HEALTH AND DENTAL IN LIEU

See attached

HEALTHCARE DUAL COVERAGE

See attached

SICK LEAVE PAYOUT

See attached

DISABILITY LEAVE SUPPLEMENT

See attached

SALARY STEP STRUCTURE

See attached

OVERTIME CALCULATION

See attached

SUBSIDY FOR PUBLIC TRANSIT

See attached

SIDE LETTERS

- Retirement Benefits for current and new employees (See attached)
- Layoff (See attached)
- Supplemental Retiree Benefit Reserve (SRBR) (See attached)

May 9, 2011

PERIOD OF MEMORANDUM OF AGREEMENT

Proposed Language:

This Agreement shall become effective July 1, 2011, except where otherwise provided, and shall remain in effect through June 30, 2012. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

It is mutually agreed that the first meeting of the parties will be held no later than fifteen (15) calendar days after the City or Association receives notice from the other, which may be any date after January 1 of the year in which the current contract terminates.

This language is intended to replace the language in:

- *Article 1 of the IBEW Memorandum of Agreement*

CITY PROPOSAL – WAGES

Proposed Language:

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to IBEW shall be decreased by approximately 10.1%. This will result in the top and bottom of the range of all classifications represented by IBEW being 10.1% lower. All employees will receive a 10.1% base pay reduction.

This language is intended to replace the language in:

- *Article 5.1 through Article 5.1.6 of the IBEW Memorandum of Agreement*

Note:

The City will “undo” one-time and ongoing additional employee retirement contributions that offset the City’s retirement contribution rates and stop “one-time” base rate concessions made in Fiscal Year 2010-2011 effective June 25, 2011.

CITY PROPOSAL – HEALTHCARE COST SHARING

Proposed Language:

Effective pay date July 1, 2011, the City pays eighty-five percent (85%) of the cost of the lowest priced plan for the employee or the employee and dependent coverage and the employee pays fifteen percent (15%) of the premium for the lowest priced plan. If the employee selects a plan other than the lowest priced plan, the employee pays the difference between the total cost of the selected plan and the City's contribution towards the lowest priced plan.

This language shall be added under:

- *Article 5.5.1 of the IBEW Memorandum of Agreement (replaces current Article 5.5.1)*

CITY PROPOSAL – HEALTHCARE CO-PAYS

Proposed Language:

Effective pay date July 1, 2011, a \$25 Co-pay plan shall be implemented for all HMO plans, including the following changes:

- a. Office Visit Co-pay shall be increased to \$25
- b. Prescription Co-pay shall be increased to \$10 for generic and \$25 for brand name
- c. Emergency Room Co-pay shall be increased to \$100
- d. Inpatient/Outpatient procedure Co-pay shall be increased to \$100

This language shall be added under:

- *Article 5.5.2 of the IBEW Memorandum of Agreement (replaces current Article 5.5.2)*

CITY PROPOSAL – HEALTH AND DENTAL IN LIEU

Proposed Language:

Effective pay date July 1, 2011, employees who qualify for and participate in the payment in-lieu of health and/or dental insurance program will receive the following per pay period:

	Health in-lieu	Dental in-lieu
If eligible for family coverage	\$221.84	\$19.95
If NOT eligible for family coverage	\$89.09	\$19.95

A City employee who receives healthcare coverage as a dependent of another City employee or retiree shall be deemed not eligible for family coverage.

This language shall be added under:

- *Article 5.5.4.2 of the IBEW Memorandum of Agreement (replaces current Article 5.5.4.2)*

CITY PROPOSAL – HEALTHCARE DUAL COVERAGE

Proposed Language:

An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

- *Article 5.5.5 of the IBEW Memorandum of Agreement as a new Section*

Proposed Language:

An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

- *Article 5.6.2 of the IBEW Memorandum of Agreement as a new Section*

CITY PROPOSAL – SICK LEAVE PAYOUT

Proposed Language

Effective January 1, 2012, no employee shall be eligible for a sick leave payout.

This language is intended to replace the language in:

- *Articles 18.2 through 18.5 of the IBEW Memorandum of Agreement.*

CITY PROPOSAL – DISABILITY LEAVE SUPPLEMENT

Article 19 Disability Leave

- 19.1 Disability Leave Supplement Disability Leave Supplement (DLS) is the benefit provided pursuant to this Article, which, when added to Workers' Compensation Temporary Disability (WCTD) results in providing employees 85% of their regular base salary.
- 19.2 Eligibility for Disability Leave Supplement A full-time employee who is required to be absent from work due to a job-related injury or industrial illness who receives WCTD payments pursuant to Division 1 or Division 4 of the California Labor Code is eligible for DLS, excluding ineligible causes listed in Section 19.4. In the event an employee is not eligible for WCTD payments because of the statutory waiting period, DLS shall not be paid for such a waiting period. The employee may use sick leave to cover the waiting period.
- 19.2.1 After the initial three day waiting period has been met, and the employee otherwise qualifies for DLS, the employee may utilize DLS for absences required for medical visits related to the injury after his/her return to work if he/she is unable to schedule such visits on non-work hours. DLS for such intermittent absences is subject to authorization by the Workers' Compensation Section. In no event may DLS exceed the limit specified in Section 19.6.
- 19.3 Eligibility for Disability Leave Supplement Linked to Temporary Disability If the Workers' Compensation Appeals Board of the State of California or any judicial court should determine that the employee is not entitled to Temporary Disability (WCTD) compensation, the employee shall not be entitled to Disability Leave Supplement (DLS) benefits. Under such circumstances, any DLS moneys paid to the employee by the City must be returned to the City within one year.
- 19.4 Ineligible Causes for Disability Leave An employee shall not be eligible for disability leave, and shall not receive DLS if the injury or illness that causes the absence results from:
- An act of gross negligence of such employee
 - Any work voluntarily undertaken by employee from which he/she has been prohibited from engaging in as determined by a City physician, prior to the date of injury.
- 19.5 Ineligibility if Offer and Decline of Modified Duty DLS shall not be provided if the City offers the employee employment at identical or similar salary, within the employee's medical limitations, and the employee refuses or fails to accept duty for which he/she is physically qualified.
- 19.6 Maximum Term of Disability Leave Supplement The employee will receive DLS benefits equal to the amount of money which, when added to the WCTD equals 85% of what the employee would have earned at the position from which he/she is disabled for one of the following time periods, whichever is shortest:

- The time the employee is medically required to be absent due to a work-related injury or illness, after the required three day waiting period.
 - The period of time WCTD is payable to the employee under the Workers' Compensation provisions of Division 1 or Division 4 of the Labor Code of the State of California.
 - Effective June 26, 2011, an employee will be eligible to receive DLS for a maximum of three (3) months (or 520 hours if not continually absent) for any current or future work-related injury or illness. Any employee who has exceeded three (3) months (or 520 hours if not continually absent) as of June 26, 2011, will no longer be eligible to receive DLS.
- 19.7 Time Limit for DLS Eligibility Effective June 26, 2011, after 520 hours of DLS, the employee is entitled to no additional compensation for the injury or illness. No employee shall be eligible for DLS five (5) years after the date of the onset of the injury or illness for which he/she is claiming DLS.
- 19.8 Disability Leave Supplement is in Lieu of Regular Compensation Employees who receive WCTD and DLS compensation do not receive their regular salary. DLS as described in this Article is in lieu of regular compensation.
- 19.9 Requirement of Evidence Proving Temporary Disability The Director of Finance is responsible for determining eligibility for DLS. In making this determination, the Director may require the employee to provide proof of injury or illness, proof that the injury or illness will last, and proof of other relevant matters as determined by the Director. The Director may require the employee to submit to a medical examination by a physician selected by the City.
- 19.10 Termination of Disability Leave An employee who is unable to return to full time regular duty following the expiration of any and all leave provided in this Article and the integration of accrued vacation and of Sick Leave as provided in Article 18 and with Workers' Compensation may be separated from City service.
- 19.11 Integration After the maximum time limit specified in Article 19.6, the integration of an employee's available leave will occur in the following order: (1) accrued Vacation hours, (2) earned Compensatory Time once Vacation has been exhausted, and (3) accrued Sick Leave once Vacation and Compensatory Time have both been exhausted.
- In no event shall an employee receive an amount, including any Workers' Compensation Temporary Disability payments, in excess of the employee's regular base salary.

The following Articles shall be eliminated:

- *Article 19 through Article 19.10.1, Article 18.1.2.1, and Article 18.1.2.3 of IBEW Memorandum of Agreement.*

CITY PROPOSAL – SALARY STEP STRUCTURE

Proposed Language:

Salary Steps

Effective June 26, 2011, the salary steps for all classifications represented by IBEW will change from approximately 5% between each step to approximately 2.5%. This will result in an increase in the number of steps in the pay range.

This language shall be added as:

- *Article 5.1.7 of the IBEW Memorandum of Agreement*

CITY PROPOSAL – OVERTIME CALCULATION

Proposed Language:

6.6 Hours assigned and worked in excess of forty (40) hours per week shall be compensated by overtime pay or compensatory time at 1.5 times the hourly rate for the number of overtime hours worked. Paid time off shall not be considered time worked for the purpose of calculating eligibility for overtime.

6.6.1 Double-backs Employees at the Water Pollution Control Plant who work and complete two (2) non-consecutive eight (8) hours shifts or longer within a twenty-four (24) hour period shall be compensated with a four (4) hour premium at the 1.0 rate.

This language is intended to replace the language in:

- *Articles 6.6 through 6.6.1 and 6.10 of the IBEW Memorandum of Agreement*

**CITY PROPOSAL – PUBLIC TRANSIT SUBSIDY (ECO-PASS AND SUBSIDIZED
COMMUTER CHECK VOUCHER PROGRAM)**

ECO-Pass

After calendar year 2011, the City will no longer provide employees an ECO-Pass. This means that any employee in possession of a 2011 ECO-Pass provided by the City may continue its use through calendar year 2011. Beginning calendar year 2012, the City will cease providing an ECO-Pass.

Commuter Check Program

Upon exhaustion of the current supply of Commuter Check Vouchers, the Vouchers will no longer be available to employees for purchase from the City. This means that the subsidized Commuter Check Voucher Program is eliminated after the current supply of Commuter Check Vouchers are exhausted.

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO.332
(IBEW)

RETIREMENT REFORM

The City and the International Brotherhood of Electrical Workers, Local No. 332 (IBEW) agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees, including but not limited to healthcare benefits. The negotiations may include modification of healthcare (medical and dental) plans available to current employees, including but not limited to plan design.

Either the City or IBEW may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall continue to meet and confer in good faith in an effort to reach a mutual agreement.

If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including the Union's nor any member's right to assert that certain benefits are vested.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and IBEW.

FOR THE CITY:

FOR IBEW:

Aracely Rodriguez
Office of Employee Relations

Date

Dan Rodriguez
International Brotherhood of Electrical
Workers, Local No. 332 (IBEW)

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO.332
(IBEW)

LAYOFF

The City or the International Brotherhood of Electrical Workers, Local No. 332 (IBEW) may provide notice to the other of its request to meet and confer on modifications to the City's layoff process and procedure, including the provisions of the Layoff article in the Memorandum of Agreement. Upon such notice, the parties shall meet within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

FOR THE CITY:

FOR IBEW:

Aracely Rodriguez Date
Office of Employee Relations

Dan Rodriguez Date
International Brotherhood of Electrical
Workers, Local No. 332 (IBEW)

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO.332
(IBEW)

SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the International Brotherhood of Electrical Workers, Local No. 332 (IBEW) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or IBEW may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or IBEW receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and IBEW shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including the Union's nor any member's right to assert that certain benefits are vested.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

FOR THE CITY:

FOR IBEW:

Aracely Rodriguez Date
Office of Employee Relations

Dan Rodriguez Date
International Brotherhood of Electrical
Workers, Local No. 332 (IBEW)